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BEFORE THE  
Federal Communications Commission

WASHINGTON, D.C.

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of )  
Implementation of Section 309(j) ) PP Docket No. 93-253  
of the Communications Act-- )  
Competitive Bidding )

COMMENTS OF GULF TELEPHONE COMPANY

Gulf Telephone Company ("GTC"), by its attorneys and pursuant to Section 1.415 of the Commission's Rules, hereby comments on the above-captioned docket. GTC urges the Commission to extend the February 28, 1995 filing deadline for the FCC Form 175 applications for the broadband Personal Communications Service ("PCS") C block auction. GTC instead asks the Commission to extend the deadline to 60 days after the completion of the A and B block auction. The 60-day period would provide the necessary time for designated entities to form alliances with parties that are unsuccessful in acquiring A and B block licenses.

I. BACKGROUND

In the Implementation of Section 309(j) of the Communications Act--Competitive Bidding, Fifth Report and Order ("Fifth Report and Order"), PP Docket No. 93-253, 9 FCC Rcd 5532 (1994), at ¶ 39, the Commission stated that C block licenses should be auctioned after the block A and B licenses in order to enable designated entities to more easily attract partners and investors. The Commission reasoned that many potential partners

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and investors would be unwilling to enter into alliances with designated entities until it was known who succeeded in obtaining the A and B block licenses. Id. at ¶¶ 38, 39. The Commission believed that many parties that failed to acquire A and B block licenses would want to become partners with or make investments in designated entities in order to gain an interest in block C licenses. Id. at ¶ 39.

GTC, a female owned and controlled rural telephone company and small business, is working to forge alliances with passive investors, including some entities that are currently active in the A and B block auction. However, GTC has found, as would be expected, that many of the parties that are in the current bidding process are not prepared to form partnership arrangements with designated entities until after the completion of the A and B block auction.

Although many parties that are active in the current bidding process are not be prepared to commit to alliances with designated entities, the Commission recently announced that FCC Form 175 applications for the C block auction must be received by February 28, 1995--before the end of the A and B block auction. Public Notice, December 23, 1994. The C block auction, according to the Public Notice, will commence the later of April 17, 1995 or 30 days after the close of the auction of the A and B blocks.

## II. DISCUSSION

The Commission understands that designated entities that want to bid on C block licenses will need to attract capital-rich investors and partners. See Fifth Report and Order, at ¶ 39.

The Commission also understands that many parties that fail to acquire A and B block licenses will want to invest in designated entities that are attempting to acquire C block licenses. Id. What the Commission apparently fails to understand is that requiring designated entities to file their FCC Form 175 applications on February 28, 1995--before the end of the A and B block auction--does not provide adequate time for designated entities and potential investors and partners (parties that are unsuccessful bidders for A and B block licenses) to negotiate potential alliances.

The Commission has repeatedly stated that it wants as many potential broadband PCS applicants as possible. Nevertheless, the Commission undoubtedly will frustrate the efforts of many designated entities to acquire the necessary financing to become viable applicants if it requires designated entities to file their FCC Form 175 applications by February 28. By setting a February 28 application deadline, the Commission will eliminate opportunities for designated entities, such as GTC, to ally with dozens of potential investors and partners--parties that are now too busy trying to acquire A and B block licenses to attempt to form alliances with designated entities.

As the Commission foresaw, many parties that are now participating in the A and B block auctions are not ready to commit to partnership arrangements with designated entities until it is known who will succeed in obtaining A and B block licenses. See Id., at ¶¶ 38, 39. By postponing the FCC Form 175 application deadline until after the completion of the A and B

block auction, many applicants that failed to acquire A and B block licenses will emerge with the ability to forge alliances with designated entities to acquire C block licenses.

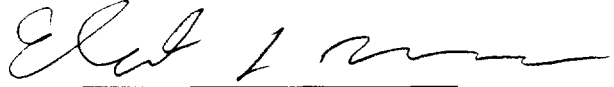
The Commission should rescind its February 28 deadline and instead allow designated entities to file their FCC Form 175 applications 60 days after the completion of the A and B block auction. The 60-day period would provide designated entities and unsuccessful A and B block applicants with adequate time to conduct meaningful negotiations and arrange viable alliances for bidding on C block licenses. By allocating enough time for potential applicants to secure adequate financing, the Commission would significantly increase the number of applicants for C block licenses--an often-stated goal of the Commission.

III. CONCLUSION

For the foregoing reasons, GTC urges the Commission to rescind its February 28, 1995 deadline for the filing of the FCC Form 175 applications for the C block auction. The Commission should instead allow designated entities to file their FCC Form 175 applications 60 days after the completion of the A and B block auction.

Respectfully submitted,

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